



FOREIGN POLICY bulletin

AN ANALYSIS OF CURRENT INTERNATIONAL EVENTS

VOLUME 38 NUMBER 15

What Are Goals of Soviet Trade?

by Robert Loring Allen

Several recent developments illustrate the complex and contradictory nature of the foreign trade policies of the U.S.S.R.: (1) Russia's sales of benzene, residual oil and pulp to the United States; (2) its offer to build the High Aswan Dam, and other credits it has given to underdeveloped countries; (3) its sales of such items as tin and aluminum which have harmed primary-product markets; (4) its plans for self-sufficiency in every line of production.

It is tempting to regard each of these events as inspired solely by political considerations—a part of Moscow's efforts to embarrass the West, curry favor with underdeveloped countries and promote its own propaganda and political interests. There is a basic truth in this contention. Certainly the U.S.S.R. seldom takes any action designed to undermine its political position.

Economic considerations, however, frequently play an important role in Soviet commercial decisions. Today these decisions are increasingly based on sound economic as well as political considerations, as seen from Moscow's point of view. Experts have long believed that much of the motivation for Rus-

sia's capital goods imports is economic. In the first decades of the Communist revolution, as now, the U.S.S.R. lagged behind the West in technology and capital goods production. In order to industrialize rapidly the U.S.S.R. imported capital goods and exported whatever was necessary to pay for its imports.

This situation still prevails. The U.S.S.R. is a net capital equipment importer both from the East European bloc and from non-Communist nations. Today, however, there is a new element. No longer does Russia desire just any capital goods. It now shows greater selectivity, with emphasis on specialized equipment for its lagging industries, such as chemicals, and on highly-precision and new types of machinery.

This need for capital goods helps to explain the pleas of Khrushchev and Mikoyan for greater trade with the United States. The U.S.S.R. really requires the American equipment and the technology embodied in it. Soviet-American trade, always small (less than 1 percent of trade for both sides), is now about \$25 million, or one-fourth the prewar level. Russia's sales on the American market are in part an effort to earn dollars with which

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to make purchases. True, Moscow could pay cash instead of insisting on credit. This, however, would seriously strain its foreign exchange position and perhaps necessitate the sale of gold, a commodity which latter-day Marxists prize more highly than did the 19th-century capitalists.

Russia's Need for Goods

Russia's need for American products and for sales in the American market also serve a political function. For the U.S.S.R. hopes to do away with the West's strategic embargo—a constant source of irritation—by breaking into the American market. The prestige of even moderate-scale American trade would substantially help Soviet trade efforts in other countries. If Americans will trade—and extend credits—then why should not other countries also trade with Moscow?

Soviet sales of primary products which have recently upset the world market, such as tin and aluminum, may possibly be determined by economic motives. In the case of tin, Russian sales in 1957 rose from 450 tons in 1956 to 9,000, and in 1958 to approximately 20,000. The U.S.S.R. acquired this commodity from China, in partial repayment of a debt. Needing foreign exchange more than tin, the U.S.S.R. sold it, perhaps not realizing the unsettling effect of this sale. Had the U.S.S.R. realized that it would be charged with dumping—a charge which produces unfavorable political repercussions—the sales might not have been made. Alternatively, it is possible that the sales of

tin and aluminum were made deliberately, not only in order to acquire sterling, but also to put pressure on Bolivia for diplomatic recognition of the U.S.S.R. and on Malaya for recognition of Peiping.

Less understandable is the economic motivation in Russia's trade with underdeveloped countries. It is easy to regard this trade as wholly political in character, and much of it is. Such an estimate, however, ignores the evolution of the Soviet economy through a process of industrialization which in the past 40 years has brought the U.S.S.R. to the rank of the second-industrial power in the world.

Extractive industries, such as some minerals and metals, as well as agricultural production, have progressed more slowly than manufacturing industries and now face increasingly serious supply limitations. Agriculture has been neglected for decades and has been granted relatively limited investment funds. It is now becoming more costly to obtain additional agrarian output, for the U.S.S.R. must make up for a long period of neglect and overcome many natural and institutional barriers, including an unfavorable climate and limited arable land, as well as the collective system of agriculture. Moreover, as industrial production has grown, it has become evident that the U.S.S.R. is not well-endowed with all of the raw materials needed by its industries. Mineral deposits have been "creamed" in typical primitive capitalist fashion, and what is left can be obtained only at higher costs.

The emphasis on industry, with expanded plant and equipment and greater experience and productivity, has led to a decline in the costs of producing capital goods relative to those of raw materials. The U.S.S.R. now finds that the export of a limited line of standardized capital goods and the import of some raw materials from underdeveloped countries, on a small scale, are economically beneficial to its economy. These benefits have been reinforced in recent years by price changes which have tended to favor capital goods exporters.

Greater Trade Flexibility

The fact that Soviet trade is increasing and that there appear to be economic motives in its commercial policy cannot be interpreted to mean that the U.S.S.R. has abandoned its goal of economic self-sufficiency or that trade is not a political weapon. The economic development of the U.S.S.R., however, does introduce an element of flexibility into trade, and relaxes Moscow's need for a strict interpretation of the self-sufficiency policy.

Moscow's policy and actions should not be looked at from the point of view of either economic or political considerations. In many instances political and propaganda factors exercise a predominant influence. Certainly the extension of credit to underdeveloped countries is an obvious political approach. Soviet policy, however, has always been and will continue to be used to improve the country's long-run economic position.

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Should U.S. Change Policy on Russia?

Build Up NATO Power

Dean Acheson, former Secretary of State in the Truman Administration, is the author of *Power and Diplomacy* (Cambridge, Mass., Harvard University Press, 1958). This material is excerpted from his article, "Wishing Won't Hold Berlin," in *The Saturday Evening Post*, March 7, 1959, with permission of that magazine and Mr. Acheson.

It is reported in Washington that the "official view"—whatever that may be—of the new Soviet pressure on Berlin is that it is a maneuver which got out of hand. According to this view, Khrushchev is anxious to "get off the hook," and there will be no crisis, no danger of trouble with firearms. I wish I thought so—but I do not think so. I think, on the contrary, that the United States and its allies may well be approaching the hardest test of the West's will and determination since June 1950, when the Communists attacked in Korea. And the test to come may be even harder than it was in 1950.

Just what is it that Khrushchev has said? It is very clear and direct. The Soviet Union regards the Potsdam agreement as void. The government of Berlin and the presence in Berlin of French, British and American troops are illegal and detrimental to Russian interests. Khrushchev proposes that the troops be withdrawn, that the three Western sectors be made a self-governing free city with international guaranties of its independence and access to and from West Germany. Moscow has made

it clear that, while it is prepared to discuss how and when, it will not discuss whether the withdrawal will take place. Furthermore, solution of the Berlin question must be found, so Moscow says, in a plan which provides for the demilitarization of Germany; the withdrawal of foreign troops from Germany and of both East and West Germany from the Warsaw and NATO alliances.

Will Khrushchev Force Issue?

The Western allies were given six months from last November 27 to think this proposal over and to discuss it with the Russians, or to negotiate a German peace treaty with a group of 28 nations chosen by the Russians. If no progress has been made by May 27, the Russians will move their troops out of Berlin and turn over the control of all traffic, including military traffic, between the city and West Germany to East Germans, with whom everyone must deal in the future. Finally, a warning is given that any violation of the frontiers of East Germany will be regarded as aggression against all Warsaw pact countries, of which the Soviet Union is one, and will result in retaliation.

This is pretty strong medicine. Its strength is not diminished as the exultant East Germans point out that the proposal presages the incorporation of West Berlin into Communist East Germany. . . .

What should we and our allies do about it? There are those, some in high places, who hope and who seem to believe that somehow we will not

Both Republicans and Democrats support the policy on Berlin which President Eisenhower stated on March 16. Many different opinions, however, are being expressed as to the most effective way of dealing with Russia. Here are three views on the subject.

Readers of the *Foreign Policy Bulletin* are invited to send in suggestions about other individuals whose views they would like to see presented in the *Bulletin*.

have to answer that question. Various methods of shoving the question under the rug are proposed. One formula calls for endless negotiations on proposals which, it is thought, the Russians will never accept—including East Berlin in the "free city," making Berlin the capital of both East and West Germany, and so on. But surely this does scant justice to the intelligence of our opponents. If Khrushchev wants to force the issue, he will force it, and he will not be put off by talk.

Another formula for putting off the evil day calls for another airlift, as in 1948. In 1948 West Berlin was emerging from the rubble. It was kept alive in a state of siege by the magnificent work of the airlift. The Russians never interfered with it by military attack, balloons or by interruption of ground-to-air directional control, which they were quite able to do. They knew that, if a show-down were forced, the Strategic Air Command was armed with nuclear weapons and they were not. Meanwhile, the Allied counterblockade of East Germany was doing its effective work. The 1948 airlift worked.

Nineteen fifty-nine is not 1948. Berlin is the greatest industrial city in Germany. It lives by its exports. No airlift can maintain Berlin's economic life, even if it can fly. But can it fly against the Soviet will? We no longer have a nuclear monopoly. Do we today have equality of retaliatory power? Are we prepared to overcome interference with our, or our German ally's, rights of passage by air? If so, we are not avoiding the

issue, but facing the same problem we should have to face some thousands of feet below on the ground. It is my conviction that right there—on the ground—is where the problem must be faced in the first place. Facing it is one thing, of course, and solving it is another.

Suppose Khrushchev makes good his threat and that his East German puppets then interfere with Western traffic into Berlin. What do we do? Talk, protest, meet, go to the United Nations—then what? All this may gain time, but Berlin will still be beleaguered. Where are the relief columns coming from? Berlin is not Ladysmith or Lucknow, waiting for the sound of the pipes playing *The Campbells Are Coming*. Of what use is the gained time? Is it to enable us to call into action our “great capacity to retaliate, instantly, by means and at places of our choosing”? The words are Mr. Dulles’ rather fancy paraphrase of “nuclear attack.” I think the answer is clearly No. To invoke our “great capacity to retaliate” is to insure an experience by us of the Soviet’s “great capacity to retaliate.” Just where Berlin would come off in this exchange is more predictable than where we would.

What should be done calls for a joint decision of the NATO allies; but this does not make it any less important that the American government and people should have thought the matter through, understood what is involved and be prepared themselves to act coolly and with resolution in the common interest. Differences of opinion can arise in arriving at so crucial a decision and can only be resolved by wise, informed and convincing leadership. A division of wills insures failure. In discussion with our allies certain points seem inescapable.

To respond to a blockade of Berlin with nuclear strategic attack would be fatally unwise. To threaten this

attack would be even more unwise.

To rely upon passive resistance to blockade, trying to stick it through and hoping for the best, would seem in all probability to result in the capitulation of the city within measurable time on terms not far from those now laid down by the Russians. Berlin would become a Communist city. Resistance by its citizens after the Allied troops had gone would be suppressed, as in East Berlin and in Hungary. Such a patent and spiritless submission by NATO to Russian power could conceivably lead to a united effort among the allies to breathe new life and strength into it as the sole means of resisting further demands. On the other hand, and perhaps more probably, it could lead to the collapse of NATO and the withdrawal of American forces from Europe, leaving no effective obstacle to Russian will on the Continent.

Use Conventional Power

The only visible alternative is to use Western conventional power to remove obstacles to traffic to and from Berlin, both on land and in air. This course presents grave dangers, but also possibilities. The dangers are very real. If the Soviet Union wished to employ enough of its conventional force, it could prevent an opening of traffic with Berlin. To respond to the superior Russian power with a nuclear strategic attack would be as unwise as to initiate one at the outset—even more unwise since any possibility of surprise would be gone. And the Soviet Union might be able not only to stop the forcing of traffic through to Berlin but also to occupy some or all of West Germany.

Moreover, if this third alternative is to have a real chance of success, the Soviets must be convinced that we are genuinely determined to keep traffic to Berlin open, at whatever risk, rather than abandon the people of Berlin and permit the whole West-

ern position to crumble. To that end, there is much to be done between now and the end of May and little sign of its being done—a real concerting of plans with our allies, a building up of NATO power in Europe, an increase in American troop strength and a return of British and French divisions to the Continent, possibly Turkish and Italian reinforcements, and a strengthening of NATO’s tactical air force. At home the unwise demobilization of our army strength since Korea should be reversed and a crash ICBM program put into immediate effect. All of this is of the greatest importance but it does not decide—though it helps in the decision—what to do if Berlin is again blockaded. . . .

Does this analysis depict a progression of events in which the world is moving inevitably to disaster either by the disappearance of the free part of the world or by mutual destruction? I do not think so. . . .

The difficulty in the way of a solution of the Berlin question or of the German question, as the Russians use these terms, is that to them the solution of the former is a surrender of Berlin and of the latter, a defenseless Germany. Either or both mean the withdrawal of the United States from Europe.

However, in related fields interests on each side of the Iron Curtain may be served. The discussions on the stopping of nuclear tests and prevention of surprise attack could, if the Kremlin really wants mutually fair agreements, be pushed to conclusions. A European zone free of nuclear weapons might be quite possible if all parties involved would reconsider their military strategy from a fresh and wholly modern point of view.

But none of these avenues will lead to possible agreement if the Russians attempt to use them to break the

West European-North American connection. That is vital, absolutely vital, to the whole future of civilization. And that is precisely what is at stake in Berlin, if Khrushchev means what he says.

Explore New Ideas

Adlai Stevenson, former governor of Illinois, and twice the Democratic party's candidate for the Presidency, is the author of Friends and Enemies (New York, Harper, 1959), based on his 1958 visit to the U.S.S.R. This material is excerpted from The New York Times, March 6, text of Mr. Stevenson's speech at a testimonial dinner for Endicott Peabody, held in Boston on March 5.

I would plead with the Russian leaders to remember their own terrible experience with appeasement of Hitler—or to recall the more recent miscalculation which sent North Korean troops into South Korea in the belief that the Americans, once out, would never come back.

These are not partisan memories in America. They are the very stuff of our most recent historical experience. When the President says we will not give in to force, he speaks for all of us. I pray that there are no illusions in Moscow on this vital score.

But Russia's new pressure may not spring simply from a miscalculation of the American mood. I believe the men in the Kremlin also suffer from some acute political compulsions which may be driving them to bring the situation in Germany to a head.

The satellite empire in Eastern Europe is unstable. Tito's declaration of independence is now ten years old. The East German outbreak of 1953, the riots in Poland and the Hungarian revolt of 1956 point to the insecurity of these minority Com-

munist governments and the whole Soviet position in Eastern Europe.

Whatever the other reasons for precipitating a crisis over Berlin, it doubtless reflects their fear that this island of freedom through which tens of thousands of Germans flee from East to West creates a special degree of instability in a generally unstable area.

For this reason I trust that we shall not show too much unwillingness to negotiate at the summit or at any other level. In the critical field of popular support we play from strength in Europe. No bayonets prop up Western governments. They are rooted in the assent of the peoples. But in uneasy Eastern Europe only Soviet military dominance insures Moscow's control.

Don't we have a supreme interest in reducing that control by gradual withdrawal of Russian forces? Have the Eastern European countries any other hope of national freedom? Don't we in the West, and I include West Germany, have a supreme interest in exploring new ideas on the possible future shape of a European settlement?

Withdrawal Held Unlikely

Because of the dependence upon their garrisons in Eastern Europe, I doubt if the Russians will negotiate seriously on the possibilities of withdrawing their forces. But if despite all their protestations and propaganda about peace, self-determination of peoples and noninterference, they dare not risk serious negotiation, we shall at least have recovered the initiative and made clear our own readiness for a more stable and hopeful settlement.

While under no circumstances will we forsake the people of free Berlin or compromise on the question of free access, we must face the fact that no Russian withdrawal can be secured without a modification of

the Western position. In order to take, we will have to give. And one must equally face the widespread fear in Western Europe that any search for an alternative to the *status quo* ultimately entails a total American retreat—back to isolationism and Fortress America.

We cannot dismiss this sense of insecurity, especially among our good friends in West Germany. But I wonder whether this fear of American withdrawal from Europe and its affairs is not becoming a real enemy to thought, maneuver and flexibility on the Western side?

Actually in the age of missiles, supersonic flight and Lunik, the concept of Fortress America is wholly obsolete. We cannot escape the human situation. It involves us all. The America of 1959 is not the America of 1939. And the deterrent in Europe today is not just the six American divisions stationed in Germany but the knowledge that a Russian attack means retaliation by America's strategic air force. . . .

I repeat, I do not believe we Americans can ever again stand aside while aggression attempts to take history by force. We are involved permanently in mankind's efforts to evolve a workable security system, and our concern is far too deep-rooted to depend only upon the location of American soldiers. Any negotiated settlement in Europe would have behind it the full weight of American commitment and the full strength of our arsenal and our economy. In the missile age, Fortress America is no more.

So I would say: Let us yield nothing to force in this Berlin crisis. But I don't think the issue of who stamps the passes is important.

If the Russians hand over their control functions to the East German government or sign a separate peace treaty, I cannot see that any great harm is done. The East Germans are

so blatantly and totally dependent upon Russian military support that no ceremonial dickering about their status or functions will change them from puppets, as someone said, even to "puppies." . . .

Let's Talk With the Russians

Any interference with the West's freedom of access to Berlin must be understood by the Russians to entail the risk of war. But with this position clear, let us seek to explore with the Russians the possibility of a settlement in Europe less unstable and explosive than the present situation—one that gives some hope to the millions from the Baltic to the Black Sea who yearn for freedom again, one that is based upon the tremendous asset of freedom as a popular force, and one that is finally rooted in America's lasting commitment to Europe, whatever the local pattern of security may be.

I would hope that in this supremely difficult time, when Secretary Dulles' illness has deprived our government in Washington of its only active practitioner in the field of foreign policy, that the Democratic party, as a responsible opposition, would use its influence to focus public opinion to make good the perilous deficiencies of the executive branch and provide a little of the leadership an uninformed and bewildered public so desperately needs.

I would trust that our distinguished Democratic leaders in the Senate would consult together and bring their collective weight and wisdom to bear responsibly on the crisis. This opportunity for a demonstration of party responsibility is matched only by the urgency. . . .

This crisis can still be a focus for new greatness. And the greatness of America is the greatest purpose of our great party.

Take New Look at Russia

Dr. Williams, associate professor of history at the University of Wisconsin, and a long-time student of U.S.-Russian relations, is the author of a recently published book, The Tragedy of American Diplomacy (Columbus, Ohio, World, 1959). This article was specially written for the Bulletin.

Raised in the context of the Berlin crisis, the broad question of changing our policy toward Russia is very apt to get lost in the flurry of debate over that specific situation. Yet as Dean Acheson and others have noted, the key aspect of the Berlin crisis can be phrased very simply: Why has Russia forced the issue at this precise time? And to answer that question, it is essential to re-examine our estimate of Soviet conduct.

Reduced to its essentials, the generally accepted view asserts that the Soviet system has either literally to expand or provoke constant international tension in order to survive at home. From this follows the secondary argument that containment will lead to liberation. The contrary thesis, presented in this article, can be stated with equal brevity. It seems at least equally probable that present Soviet leaders desire very seriously to stabilize Central Europe so that they can turn their attention to other issues. An American policy which facilitates this stabilization will contribute significantly to the relaxation and the liberalization of the Soviet system.

The most important of Russia's problems may be enumerated as follows: (1) the internal struggle against the die-hard Stalinists; (2) the rationalization of the economics of the Soviet bloc so that the new Seven-Year Plan can succeed both at home and in terms of aid to the

poorer societies of the underdeveloped countries; and (3) the massive and ticklish problem of regularizing the political economy of Russia's alliance with China. These factors are quite sufficient to account for Russia's concern to resolve the German question. When these are correlated with Russia's avowed fear of Germany, which existed under the Tsars as it does under the Communists, and with our move to arm West Germany with nuclear weapons, it is not very difficult to understand the intensity of Moscow's insistence on a Berlin settlement.

Russia's Many Goals

Evidence for this analysis is far more varied and extensive than the general or official press of the United States generally allows or presents in an integrated fashion. Consider, for example, the following items: (1) the candid and persistent emphasis on these very points in official and off-the-cuff comment by high Communist leaders; (2) the sober and perceptive estimates of Khrushchev's conception of the world, provided by Adlai Stevenson, Walter Lippmann and Harold Macmillan; and (3) the report by Professor Robert North of Stanford University of the park bench remarks by a Soviet official: "You may look upon Mr. K. as your worst enemy, but watch out. If you get a real Stalinist back in his place you will wish you had Mr. K. again. . . . You Americans are very stupid at this game. With all your threats of brinkmanship, you do not give Mr. K. a way out."

Accepting Dean Acheson's comment that "all sound policy calculations ought to include the possibility that the other view might be right," let us examine the implications of this different estimate of Soviet behavior. Such an analysis suggests that the Russians have rather clearly in

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What Challenges to Diplomat and Citizen?

Never before in American history has one man so dominated and directed foreign policy as has John Foster Dulles. He has literally carried the State Department around in his hat. And this is no mean feat when the department has mushroomed to a staff of 35,000, and the Secretary has covered 500,000 miles visiting 47 countries in six years.

Now that Mr. Dulles is hospitalized, speculation is rife not only as to who might succeed him, but whether anyone can succeed him.

As to the first, his undersecretary, Christian A. Herter, is supposed to have the inside track to the job; but because of his disability (Herter's chronic arthritis forces him to walk with hand braces) he cannot be counted a sure winner. Another candidate is Deputy Undersecretary Douglas Dillon, who is highly respected by business and by Congress and could well get the Presidential nod. Other names one constantly hears are Henry Cabot Lodge, United States ambassador to the United Nations; Thomas E. Dewey, former governor of New York; John J. McCloy, former high commissioner for Germany; Gen. Alfred M. Gruenther, ex-NATO commander; Gen. Lucius D. Clay; Gen. Walter Bedell Smith. The names of two others have been broached in some circles: Allan W. Dulles, brother of the Secretary of State, director of the Central Intelligence Agency, and Clare Boothe Luce, former ambassador to Italy.

As to whether anyone can succeed John Foster Dulles there are two views. One is that he is a unique personality. And, unquestionably, no one has been, and no one ever will again be, so thoroughly trained for the job of Secretary of State as was

Mr. Dulles. In this respect he is irreplaceable.

State Department Changes

The fact remains, however, that he may have to be replaced. And when and if that time comes there cannot but be certain changes in the functioning of the State Department. This is a bigger job than any one man can do. What must happen—this in fact is already happening—is that President Eisenhower will take a more direct hand in the making of foreign policy. The Policy Planning group, which is supposed to do the long-range thinking for the Department, will regain some of its power and prestige. The Secretary will use his assistants more and more. And ambassadors will be left to carry out their assignments with greater freedom and less interference from Washington—and, it is hoped, will be picked more for ability and experience than for party ties and personal wealth.

It is also certain that other agencies and individuals with an interest or role in foreign affairs will play a larger part in shaping foreign policy. If and when Mr. Dulles relinquishes the reins, the C.I.A., the Joint Chiefs, the National Security Council will, without question, find the President more accessible, more interested in their views. Nor can the role of Congress be ignored, although constitutionally it is limited to Senatorial "advice and consent" in making treaties and in approving ambassadorial appointments. The views of the two houses, expressed through their powerful foreign affairs committees and appropriations committees, exert a real and often decisive influence.

Many observers here contend that many things have gone wrong in foreign policy in the past six years—but this might have happened regardless of who was Secretary of State. The State Department is criticized for dealing with emergencies which it too often did not foresee, for postponing compromise solutions until compromise became impossible, for preparing empirical responses too late. Supporters of the Dulles policy, for their part, argue that it has kept Communist imperialism from expanding, at least overtly.

Readers who want first-rate discussion of where the United States stands in world affairs, and what it could do to improve its position in the future would do well to read a small book, *What's Wrong With U.S. Foreign Policy* (New York, Harcourt, 1959), by Cyrus L. Sulzberger of *The New York Times*. This book brings out in greater detail than this article permits the problems both our diplomats and our citizens face in developing a coherent and effective foreign policy in the nuclear age.

Meanwhile, the liaison between State Department and the citizen, so notably nurtured and encouraged in the first postwar years, has lost some of its effectiveness and drive under Mr. Dulles' one-man control of the State Department.

The public liaison offices still operate, State Department officials still meet with various citizens' organizations; but the enthusiasm of this interchange, which at one time worked both ways, seems to have gone out of the process of communication between the State Department and the citizen.

It may well be that any program,

when it reaches a certain maturity, loses the fervor of its early days. But it is also possible that Mr. Dulles' method of operation and control had adversely affected this particular activity, and that impending changes in the State Department will bring about a new spurt in State Department-citizen relations.

NEAL STANFORD

(The last of nine articles on "Great Decisions . . . 1959"—Reshaping Foreign Policy Amid Revolutions—a comprehensive review of American foreign policy.)

Williams

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mind a maximum, an optimum and a minimum position on Berlin. Ideally, of course, they would like to eject the West from Berlin. They would thereby gain a psychological and economic victory which would enable them to proceed for the first time with the integration of East Germany into the Soviet bloc. It would also greatly increase the probability that West Germany would drift into some kind of *de facto* accommodation with Russia.

Russia's next proposal seems to be a *quid pro quo* along the following lines: an internationally guaranteed free-city status for Berlin in return for a ban on nuclear weapons for West Germany. For while this would leave Berlin a glittering thorn in their side, it would nevertheless en-

able them to proceed with some confidence to mesh East Germany into the Eastern European complex.

As a last resort, the Russians seem to have formulated a less precise solution involving: (1) a ban on nuclear arms for Bonn; (2) a confederation for Berlin or all of Germany; and (3) some kind of military disengagement not only in Europe but also elsewhere. Moscow no doubt knows that confederation would lead to the disappearance of the East German government. While this would be a short-run defeat for the Russians, they might well consider it a rather promising long-run solution.

For one thing, it would very probably improve their standing in Western Europe and in the underdeveloped areas. More important, however, it would still enable them to proceed with the economic development of their own bloc and the adjustment of their relations with Communist China.

All in all, therefore, the "big" question of policy toward Russia turns out to be very intimately connected with the specific problem of Berlin. Even a brief review of an estimate of Soviet conduct, different from that usually made in this country, opens up a number of nonviolent alternatives for American consideration. Whether or not one agrees with any or all of the points

listed above, it does seem reasonable to suggest that such a spectrum of possibilities widens the intellectual and policy horizons we have had since 1945.

Of course, there is a danger in any new look we take at our relations with Russia. It may turn out to be that the United States has no viable approach to the problem of coexistence with a Russia which is becoming more humane and less poverty-ridden. But even if such is the case, which I very much doubt, this is certainly the time to grapple with that issue.

Allen

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tion. Fortunately for the U.S.S.R., its present posture is such that economic and political interests coincide in many of its undertakings. The U.S.S.R. now occupies a new economic position which adds maneuverability to its foreign policy, magnifies the potency and duration of its economic efforts abroad, and tends to orient it toward expanded economic relations, particularly with underdeveloped countries.

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